

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 2018-323-E - ORDER NO. 2018-837  
DECEMBER 20, 2018

IN RE: Application of Duke Energy Progress, LLC	)	ORDER APPROVING
for Approval of the Transfer and Sale of	)	THE SALE OF REAL
Property Located in Semora, North Carolina	)	ESTATE IN SEMORA,
	)	NORTH CAROLINA

Pursuant to S.C. Code Ann. Section 58-27-1300, this matter comes before the Public Service Commission of South Carolina (“Commission”) on the Application of Duke Energy Progress, LLC (“DEP” or “Company”) for approval of the transfer and sale of certain real estate known as the Semora, North Carolina property (“Property”) located in DEP’s North Carolina service territory. According to DEP, the Property is a 430.69 acre parcel of vacant land that is not required for the Company’s current utility operations. DEP seeks to sell this property to Sunbelt Acquisitions, LLC – a non-affiliated company - for \$2.5 million and asserts that this transaction will not affect its ability to provide reliable service to its customers at just and reasonable rates.

The majority of the Property was acquired by DEP (then Carolina Power & Light) in 1963 for future use. An additional half-acre was acquired in 2007, and two additional non-utility properties were acquired in 2007, measuring 41.95 acres and 6.74 acres. The original 390 acre Property has a book value of \$73,147. The Property, included with later-acquired 41.95 acre property (excluding the 6.74 acres) was appraised at \$3,630,000 as of May 21, 2016. DEP ultimately entered into a contract with Sunbelt to sell the property,

including the later-acquired two parcels, for \$2,500,000 which was the highest bid it had received. DEP submits that this represents the fair market value. The original cost of the property will be credited as a reduction of the amount carried under Account 101, “Electric Plant in Service.” The difference between the sales price and the original cost of the non-depreciable property will be applied to Account 421.10, “Gain on Disposition of Property.”

The South Carolina Office of Regulatory Staff has been served with a copy of the Application and exhibits, and does not object to the sale. Further, no opposition to the request has been filed in the Docket.

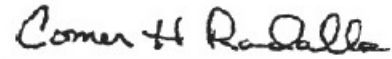
IT IS THEREFORE ORDERED:

Under Section 58-27-1300, Commission approval is required for regulated electric utilities seeking to sell real property with a fair market value in excess of \$1,000,000. The Property, which is part of DEP’s North Carolina service area but is also included in its South Carolina rate base, meets this requirement for approval.

We have examined this matter, and we approve the sale. The record shows that the sale is just and reasonable, and the Company proposes to properly account for it in its books.

This Order shall remain in full force and effect until further order of the Commission.

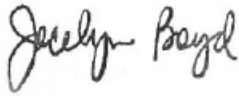
BY ORDER OF THE COMMISSION:



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Comer H. "Randy" Randall, Chairman

ATTEST:



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Jocelyn Boyd, Chief Clerk/Administrator